Creation of SPV by NTPC

5589. SHKI PREM CHAND GUPTA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that NTPC will create a Special Purpose Vehicle (SPV) worth Rs.100 crore for environmental protection and water management;

(b) whether it is also a fact that one per cent of the capital cost for setting up a power plant would be kept aside for afforestation and water management; and

(c) if so, the progress made on this scheme?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (c) As decided by Ministry of Power, National Thermal Power Corporation (NTPC) would create a Special Purpose Vehicle (SPV) for environment protection and water management. The SPV would be floated under NTPC in which 1% of the capital cost for setting up of a power plant is contemplated to be set aside for afforestation and water management. The scope of SPV would be expanded later on so as to include other public sector undertakings of the Ministry of Power. NTPC is working on the details for formation of SPV.

Power from thermal plants

5590. SHRI PREM CHAND GUPTA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that 70 per cent of the installed capacity of power in the country comes from thermal plants;

(b) whether the old technology being used in these plants provide poor load factors, inefficiency pollution and are not cost effective;

(c) whether modernisation of the existing plants can boost power generation, control pollution and meet the growing demands for power in the cheapest and quickest way; and

(d) if so, what steps are being taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) As on 31.3.2000, thermal installed capacity constitutes about 71.73% of the total installed capacity in the country.

(b) Thermal Power Plants in the country comprise units ranging from 30 MW commissioned in Sixties to 500 MW units of latest design. Some of the older units, however, require attention in terms of maintenance and replacement of the worn out parts and also life extension programme to improve their performance. The 200 MW and 500 MW units are running efficiently and giving satisfactory service.

(c) Yes, Sir.

(d) Government of India having recognised the importance of R&M way back in 1984, launched a programme (Phase-I R&M) comprising 34 thermal power stations covering 163 units in the country, resulting in an additional generation of about 10,000 MUs annum. Phase-II R&M covering 44 stations with 198 units has been taken up for implementation. However, the programme could not progress as per schedule mainly because of paucity of resources with the SEBs. In view of the poor financial health of most of the SEBs, the Government has proposed a special scheme called Accelerated Power Development Programme (APDP) starting from 1.4.2000 under which additional Central Plan Assistance would be provided to SEBs for undertaking *inter-alia* R&M and Life Extension of existing old and inefficient plants and also for strengthening of sub-transmission and distribution system. The modalities of funding (combination of grant and loan) and for implementation of the scheme are being finalised by the Planning Commission.

Power Finance Corporation is also providing loan assistance to SEBs for R&M of existing power stations.

Subsidy to power sector

5591. SHRI PREM CHAND GUPTA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Government continue to subsidise the power sector to the tune of Rs.22,346.3 crores in 2000-2001 inspite of the fact that the cost of power has almost doubled and there has been increase in consumption in the last few years; and

(b) if so, the future plans of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) As per Section 59 of Electricity (Supply) Act, the tariff to different categories of consumers is to be decided by State Electricity Board in consultation with the concerned State Government and the Central Government has no role to pay in this regard including